

# A MESSAGE FROM THE CITY MANAGER

Honorable Mayor and Council Members,



I am pleased to share the fiscal year (FY) 2019-20 *Service First* budget. The budget includes \$1.1 billion in total property tax revenue and \$325.6 million in sales tax revenue. At \$3.8 billion, the budget funds effective and equitable delivery of City services such as emergency response, clean water, trash pickup, road repair, libraries, and parks. It also invests in solving problems our community faces, such as homelessness, affordable housing, and poverty. Most importantly, it enables us to demonstrate what is important to our community.

*Dallas residents prioritize public safety.* In the most recent Community Survey, residents ranked crime prevention and police response time as the most important public safety services, and we have heard from the community that we need to hire more police officers. That's why the budget invests heavily in public safety and first responders. At 60.6 percent of the General Fund budget, our investment includes a new market-based pay structure with above-market pay for advanced certifications, additional funding for staffing, increased pension contributions, and significant new and replacement equipment.

To make these public safety investments, we are proposing a small tax rate increase of 0.33¢ for a total tax rate of 78.00¢ per \$100 in valuation. This increase will generate \$4.5 million in property tax revenue. For the average homeowner—with a property value of \$303,000—this means an additional cost of \$8.01 this year. For a senior, this increase will be offset by the increase in the over-65 property exemption to \$100,000 from \$90,000, which will deliver \$78 savings for the average senior.

*Dallas residents prioritize clean and vibrant neighborhoods.* By partnering with and investing in our neighborhoods, we will improve quality of life in Dallas. The new Community Clean! initiative educates and empowers residents to recognize and correct common code violations through regular community-led cleanup efforts. We will also create pop-up cultural centers to provide easy access to arts programming. Finally, we are enhancing overnight animal service response by scheduling officers to be on duty seven nights a week instead of four.

*Dallas residents prioritize great streets and transportation.* We are addressing major infrastructure needs by implementing the bond program voters approved in November 2017. The 2017 Bond Program will provide for \$1.05 billion in investments over five years in streets, flood protection, parks, and other City facilities. Additionally, we are investing millions of General Fund dollars in street, alley, and bridge repair, mobility improvements, and preventive maintenance for fleet and facilities.

Through this budget, we will continue to put service first to meet your needs with empathy, high ethical standards, a commitment to excellence, and a focus on equity. We have some of the best employees in Dallas—employees who serve because public service is an honorable calling. I look forward to working with them to continue to put our residents and service first.

In the Spirit of Excellence!

T.C. Broadnax, City Manager

A stylized, handwritten signature in black ink, which appears to read "T.C. Broadnax". The signature is fluid and cursive, with a large loop at the end.

# EXECUTIVE SUMMARY

## THE BIENNIAL BUDGET

The FY 2019-20 and FY 2020-21 biennial budget is focused on providing excellent public service to meet your needs with empathy, high ethical standards, a commitment to excellence, and a focus on equity. The proposed budget for the first year of the biennial is \$3.8 billion, while the planned budget for the second year increases to \$3.9 billion.

In developing this budget, we considered two significant factors: changes by the 86th Texas State Legislature that have reduced or restrained the City's revenue and cost considerations from a multi-year pay agreement for police officers and firefighters. To ensure we can fully meet the needs of residents, particularly in public safety, we are proposing a 0.33¢ property tax rate increase, bringing the total property tax rate to 78.00¢ per \$100 valuation.

## BIENNIAL BUDGET OVERVIEW

Per state law, the City Council adopts an annual budget; with our biennial budget approach, it can do so with the assurance the policies and services included can be sustained.

Expenditure	FY 2018-19 Budgeted (\$)	FY 2018-19 Amended (\$)	FY 2019-20 Budgeted (\$)	FY 2020-21 Planned (\$)
General Fund	\$1,365,966,274	\$1,368,601,406	\$1,442,850,000	\$1,493,285,000
Aviation	144,132,819	154,991,423	158,255,683	159,528,062
Convention and Event Services	108,647,915	108,647,915	114,358,254	144,436,726
Municipal Radio	2,076,728	2,076,728	2,067,782	2,140,534
Sanitation Services	112,653,465	114,157,465	122,129,201	131,413,418
Storm Drainage Management (Water Utilities)	58,436,837	58,436,837	60,936,837	63,678,995
Sustainable Development and Construction	34,571,119	34,571,119	34,550,990	35,364,689
Dallas Water Utilities	665,491,395	665,491,395	681,220,919	711,793,613
Debt Service	296,200,044	296,200,044	305,451,298	327,919,149
Total Operating Budget	2,788,176,596	2,803,174,332	2,921,820,964	3,039,560,186
General Purpose Capital	420,377,152	420,377,152	439,669,343	473,138,900
Enterprise Capital	377,646,036	377,646,036	432,770,756	405,948,935
Total Capital Budget	798,023,188	798,023,188	872,440,099	879,087,835
Total Budget	\$3,586,199,784	\$3,601,197,520	\$3,794,261,063	\$3,918,648,021

# EXECUTIVE SUMMARY

## STRATEGIC SERVICE

Developed by the City Council and City Manager, the City's six strategic priorities will guide the work of staff during the next biennium:

- **Public Safety:** Enhance the welfare and general protection of residents, visitors, and businesses in Dallas.
- **Mobility Solutions, Infrastructure, and Sustainability:** Design, build, and maintain the underlying structures necessary to support Dallas' residents.
- **Economic and Neighborhood Vitality:** Strengthen and grow the business community while planning and strengthening the long-term vitality of Dallas neighborhoods by expanding housing options and creating job opportunities.
- **Human and Social Needs:** Provide services and programs to meet basic human needs by focusing on prevention or resolution of systemic problems.
- **Quality of Life:** Provide opportunities that enhance the standard of health, comfort, and happiness of Dallas residents.
- **Government Performance and Financial Management:** Ensure that internal operations are conducted in a manner that promotes our core values of empathy, ethics, excellence, and equity.

## TOTAL BUDGET BY STRATEGIC PRIORITY

Strategic Priority	FY 2019-20 Budget	FY 2020-21 Planned
Public Safety	\$883,262,838	\$912,546,528
Mobility Solutions, Infrastructure, and Sustainability	1,946,160,636	2,080,784,585
Economic and Neighborhood Vitality	278,923,969	302,707,575
Human and Social Needs	43,072,444	26,208,196
Quality of Life	472,332,854	427,088,289
Government Performance and Financial Management	170,508,320	169,312,848
Grand Total	\$3,794,261,063	\$3,918,648,021

## GENERAL FUND BUDGET BY STRATEGIC PRIORITY

Strategic Priority	FY 2019-20 Budget	FY 2020-21 Planned
Public Safety	\$873,743,297	\$906,540,984
Mobility Solutions, Infrastructure, and Sustainability	148,686,930	147,676,307
Economic and Neighborhood Vitality	76,143,977	85,448,924
Human and Social Needs	22,160,166	23,280,924
Quality of Life	202,743,668	208,074,736
Government Performance and Financial Management	119,371,960	122,263,125
Grand Total	\$1,442,850,000	\$1,493,285,000

# EXECUTIVE SUMMARY

## FY 2019-20 MAJOR INVESTMENTS SUPPORTING THE CITY'S SIX STRATEGIC PRIORITIES

### *Public Safety*

- Recruit and retain police officers and firefighters through a new pay structure based on an annual market survey of 17 comparison cities and set aside funds to hire or retain additional police officers or for recommendations from the DPD staffing analysis
- Secure the future of our first responders by contributing \$162 million to the Dallas Police and Fire Pension System, \$5.2 million more than last year
- Establish a team of civilian crime intelligence analysts who will analyze imaging and data in real time to proactively implement crime-fighting strategies
- Protect our first responders by purchasing a second set of personal protective equipment and a complete replacement of self-contained breathing apparatus for firefighters and replacing body-worn cameras for police officers
- Strengthen relationships between the community and police department through the Office of Community Police Oversight

### *Mobility Solutions, Infrastructure, and Sustainability*

- Conserve resources and maintain infrastructure by devoting \$140.8 million for installation and rehabilitation of about 80 miles of water and wastewater mains
- Prevent flooding in local streets through the neighborhood drainage program, focusing on erosion control and channel repairs
- Ensure City facilities stay safe and functional through major maintenance of roofs, HVAC, and other building systems and reduce future costs through an enhanced preventive maintenance program
- Improve the pavement condition of 710 lane miles of streets and alleys by investing \$32.8 million in bonds and \$52.7 million in cash
- Promote safety and enhance traffic flow by replacing broken vehicle detectors at 40 critical intersections, retiming 250 traffic signals, and installing 21 LED Dynamic Message Signs around Fair Park

### *Economic and Neighborhood Vitality*

- Further affordable housing throughout the city as prescribed in the Comprehensive Housing Policy through the 2020 Notice of Funding Availability
- Update the City's Comprehensive Plan to incorporate more recent policy initiatives and encourage strategic land development while promoting equity, sustainability, and neighborhood revitalization
- Stimulate small businesses and startups in high-opportunity areas through training and other workforce development services
- Broaden investment in minority- and women-owned businesses based in Dallas through capacity-building resources and training

# EXECUTIVE SUMMARY

- Spur new development in the 19 Tax Increment Financing (TIF) districts throughout the city by reinvesting \$85 million in property tax revenue

## *Human and Social Needs*

- Provide tax relief to residents over 65 or with a disability by increasing the property tax exemption to \$100,000 from \$90,000
- Advance equity and inclusion in City government and across Dallas by understanding historical and deeply ingrained policies and practices and engaging the community to address present-day challenges
- Partner with nonprofit and other community agencies to deliver services designed to address the nine drivers of poverty, including eliminating barriers to work
- Offer temporary shelter to individuals experiencing homelessness during extreme hot and cold weather or for up to 90 days through a pay-to-stay initiative
- Develop a neighborhood grant program to maximize resources for reclaiming and repurposing chronic homeless encampments

## *Quality of Life*

- Boost recreational programming for teenage residents with a focus on arts and culture, community service, health and wellness, leadership and life skills, and technology
- Engage residents in the Community Clean! initiative to reduce illegal dumping, litter, and high weeds in focus neighborhoods through regular community-led cleanups
- Expand Internet access, a basic 21<sup>st</sup>-century need for education and employment, to more residents by making mobile hot spots available for checkout at high-opportunity libraries
- Augment overnight animal service response by scheduling officers to be on duty seven nights a week instead of four
- Create pop-up cultural centers to bring cultural activities to areas of the city without easy access to arts programming

## *Government Performance and Financial Management*

- Cultivate the use of data analytics and evidence-based decision making throughout the City under the leadership of the Office of Innovation
- Take a big-picture approach to technology projects by prioritizing proposals through the IT Governance Committee
- Drive operational efficiency, reduce overall costs, and improve delivery of City services through timely replacement and preventive maintenance of fleet vehicles
- Centralize monitoring of vendor performance to ensure contracts are completed on time, within budget, and fulfill the terms of the agreement
- Foster an ethical organizational culture by continuing biennial ethics training and expanding the Values Ambassador program

# EXECUTIVE SUMMARY

## RESILIENT DALLAS

A growing number of Dallasites live on the edge of economic failure. The problems these residents grapple with are numerous and intertwined: low skills or language barriers limit employment opportunities, lack of health insurance often leads to poor health or medical emergencies, and lack of reliable transportation restricts access to jobs, education, and even healthy food. Dallas' biggest resilience challenge is not the devastation of a natural disaster. Rather, it is the economic vulnerability of Dallas' poor who struggle to provide for themselves and their families, weakening the community's resilience.

To address these challenges, the City developed the Resilient Dallas Strategy with financial and technical backing from 100 Resilient Cities—pioneered by the Rockefeller Foundation. The Strategy provides a roadmap to address Dallas' most pressing challenges and achieve improved outcomes for all residents. While much work remains to be done, Dallas is making steady progress toward addressing the long-held and systemic barriers to success that exist for many residents. The Resilient Dallas Strategy's seven goals, 20 initiatives, and 50 actions addressing self-sufficiency, equity in public policy, workforce development, quality of life issues, and environmental sustainability will make Dallas better able to handle short-term shocks and reduce the long-term stressors that jeopardize our future.

The City Council adopted the Resilient Dallas Strategy in August 2018. Since that time, the City and community partners have been busy implementing the initiatives and actions laid out in the plan. A few of our program successes appear below:

Activity	Completed
Adopted the Equity Policy	August 2018
Began planning process for Strategic Mobility Plan incorporating transportation equity	December 2018
Used an "equity lens" to develop the biennial budget	March 2019
Hired the City's first Equity Officer	April 2019
Activated partners to provide short-term housing for many migrants based on planning activities by faith-based organizations, supported by the Office of Emergency Management	May 2019
Began activities to better use data, like acquisition and release of the PolicyMap data tool, to holistically view needs of communities	June 2019
Completed BreatheEasy Dallas assessment and State of the Dallas Urban Forest Report	June 2019

This year's budget includes funding for multiple initiatives that build on this foundation, from mobility efforts, to small business stimulus and workforce development, to an increased focus on equitable service delivery, which you'll see expanded in the section below. To read the full Strategy, visit [www.100resilientcities.org/strategies/dallas/](http://www.100resilientcities.org/strategies/dallas/).

# EXECUTIVE SUMMARY

## BUDGETING FOR EQUITY

Beginning last year, the City sharpened its focus on advancing equity for all residents. Valuing equity means first understanding and acknowledging how historical and deeply ingrained practices and policies produced the inequitable conditions present today and then committing to provide the resources and services necessary to address them.

To that end, we created the Office of Equity and hired the City's first Equity Officer. On May 22, 2019, City Council adopted an Equity Resolution to demonstrate the City's commitment to ensuring equity in all policies, programs, services, and practices. The City also joined the Government Alliance on Race and Equity (GARE), a national network of governments working to achieve racial equity and advance opportunities for all. In partnership with GARE, the Office of Equity trained 200 executives and budget staff on advancing racial equity, and staff then began incorporating the GARE racial equity tool into the City's annual budgeting process.

As we introduce the budgeting for equity process, departments are asked to consider the impact of City programs and services on every resident of Dallas. This year, every department followed the budgeting for equity steps when submitting requests for budget enhancements and reductions. Additionally, the City Manager selected eight departments to participate in piloting the process to assess their current budgets, which were Code Compliance, Dallas Animal Services, Dallas Public Library, the Office of Community Care, the Office of Arts and Culture, the Office of Environmental Quality and Sustainability, the Office of Homeless Solutions, and Public Works.

These departments reviewed available service data from the last several years to determine whether we achieved the desired outcome for all residents. This review allowed departments to think strategically about their operations and service delivery models and begin making changes where needed using existing resources. You will see examples of the results of both efforts below and threaded throughout this Executive Summary.

- Empowering neighborhoods through the Community Clean! initiative
- Preserving civil rights history at the Juanita Craft Civil Rights House
- Expanding cultural opportunities through pop-up cultural centers
- Increasing equity in library services by eliminating overdue fines and making mobile hot spots available for checkout at high-opportunity branches
- Engaging teens aged 13-17 through summer and late-night programs
- Equipping entrepreneurs and small businesses, particularly minority- and women-owned businesses, to compete for business in the city
- Identifying data-driven interventions to improve air quality and public health
- Developing an equitable, effective, and sustainable action plan to fight climate change
- Assessing Public Works equipment staging and its impact on service request resolution



# DALLAS 365

## AT YOUR SERVICE

Through Dallas 365, we inform City Council, residents, businesses, and visitors about our progress on specific City programs and services. Dallas 365 is not just a public finance best practice—it provides transparency and accountability.

We selected 35 performance measures, including some from each of the six strategic priorities. While City departments track large amounts of data, we believe the measures we chose for Dallas 365 are most relevant to the public based on the results of our community survey and feedback from City Council during the last year. We report progress on these measures monthly.



To view the latest Dallas 365 report, go to [dallas365.dallascityhall.com](https://dallas365.dallascityhall.com).

### *Public Safety*

Department	Measure	Target
Dallas Fire-Rescue	Percentage of responses to structure fires within 5 minutes and 20 seconds of dispatch	90%
Dallas Fire-Rescue	Percentage of EMS responses within nine minutes	90%
Dallas Police	Percentage of responses to Priority 1 calls within eight minutes	55%
Dallas Police	Percentage of 911 calls answered within 10 seconds	91%
Dallas Police	Homicide clearance rate	60%
Dallas Police	Crimes against persons (per 100,000 residents)	1,999

### *Mobility Solutions, Infrastructure, And Sustainability*

Department	Measure	Target
Office of the Bond Program	Percentage of bond appropriation awarded	90%
Dallas Water Utilities	Average response time to emergency sewer calls (in minutes)	60
Dallas Water Utilities	Percentage of small diameter water and wastewater pipeline system repaired or replaced annually	0.9%
Dallas Water Utilities	Percentage compliance with state and federal water safety standards	100%
Public Works	Percentage of planned lane miles improved	100%
Public Works	Percentage of potholes repaired within three days	98%
Sanitation Services	Missed refuse and recycling collections per 10,000 collection points/service opportunities	11.50
Transportation	Percent of signal malfunction responses within 120 minutes	95%



# DALLAS 365

## *Economic and Neighborhood Vitality*

Department	Measure	Target
Office of Economic Development	Number of jobs created or retained through written commitment	5,000
Housing & Neighborhood Revitalization	Number of Dallas Homebuyer Assistance Program (DHAP) loans provided	45
Housing & Neighborhood Revitalization	Total number of new housing units occupied	230
Sustainable Development & Construction	Percentage of single-family permits reviewed in three days	85%
Sustainable Development & Construction	Percentage of inspections performed same day as requested	98%

## *Human and Social Needs*

Department	Measure	Target
Office of Community Care	Percentage of HIV/AIDS households with housing stability	95%
Office of Homeless Solutions	Percentage of repeat homeless encampment sites reclaimed/repurposed	15%
Office of Homeless Solutions	Percentage of unduplicated persons placed in permanent housing who remain housed after six months	85%

## *Quality of Life*

Department	Measure	Target
Code Compliance	Number of single-family rental properties inspected (initial inspections and reinspections)	7,000
Code Compliance	Percentage of litter and high weed service requests closed on time	96%
Dallas Animal Services	DAS live release rate for dogs and cats	90%
Dallas Animal Services	Percentage decrease in dog bites year-to-year	5%
Dallas Public Library	Percentage increase of annual visits in person, online, and for programs	1.5%
Dallas Public Library	Percent of GED students who successfully pass the exam and earn their certificate	42%
Office of Arts and Culture	Percentage of cultural services contracts awarded to artists or small arts organizations (budgets less than \$100,000)	55%
Park and Recreation	Percentage of residents within ½ mile of a park	70%

# DALLAS 365

Department	Measure	Target
Park and Recreation	Participation rate at late-night Teen Recreation (TRec) sites	60%

## *Government Performance and Financial Management*

Department	Measure	Target
311 Customer Service Center	Percentage of 311 calls answered within 90 seconds	70%
City Controller's Office	Percentage of invoices paid within 30 days	96%
Equipment & Fleet Management	Percent of vehicles receiving preventive maintenance on schedule	68%
Office of Business Diversity	Percentage of dollars spent with local M/WBE businesses	50%